IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

THURSDAY, THE FIFTEENTH DAY OF JULY
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE MR JUSTICE N.V. RAMANA

-

WRIT PETITION NO : 12190 of 2004

Between:

M/s. Jagadamba Industries, Shed No. D-60, Phase V I.D.A
Jeedimetla, Hyderabad - 500 055. Rep by its Proprietor
Mr. Sanjay Kumar

..... PETITIONER

AND

1. Employees Provident Fund Organisation, Sub-Account Office, Kukatpally, Hyderabad rep. by Recovery Officer.

2. Employees Provident Fund Appellate Tribunal No. 60, Skylark Buildings, Nehru Place, New Delhi.

....RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue suitable direction order or a writ particularly one in the nature of Mandamus declaring action of the 1st respondent in claiming contributions and interest as illegal and arbitrary and consequently to set aside the order bearing No. AP/29893/Recovery/SAO/KKP/2004/523 dated 08-6-2004 in the interest of justice and equity otherwise the petitioner will suffer great hardship and irreparable loss.

Counsel for the Petitioner : MR.C.NIRAJAN RAO

Counsel for the Respondents : MR.R.N.REDDY (SC FOR EMPLOY'S PF ORG.)

The Court made the following :

The Writ Petition is filed to declare the action of the 1st respondent in claiming contributions and interest thereon as illegal and arbitrary and consequently to set aside the notice dated 8-6-2004 issued by the 1st respondent.

The grievance of the petitioner is that proceedings under Section 7A of Employees Provident Fund Act (in short 'the Act') were initiated by the first respondent, that even though it submitted the relevant records, taking into consideration some contract workers who were engaged by the lessor of the premises to carry out some civil works and who were not in any way concerned with the affairs of the petitioner, the 1st respondent passed orders under Section 7A of the Act on 4-9-2003 covering the petitioner under the provisions the Act. Against the said order, petitioner filed a review application and the same was rejected by the 1st respondent, without giving any valid reasons and there after the impugned notice was issued for recovery of Rs.3,90,862/- from the petitioner. The grievance of the petitioner is that against the orders of the 1st respondent, an appeal was preferred before the 2nd respondent and pending the appeal, the 1st respondent is going to recover the amount.

Heard the learned counsel for the petitioner and Sri R.N.Reddy, Standing Counsel for the 1st respondent and the writ petition is disposed of at the stage of admission.

At the time of arguments, the learned counsel for the petitioner sought six weeks time for pursuing the matter before the appellate Tribunal and obtaining necessary interim orders and also prayed for grant of stay of all further proceedings till then.

Under the above circumstances, having regard to the fact the appeal, against the order of the 1st respondent, filed by the petitioner is pending before the 2nd respondent, the writ petition is disposed of granting six weeks time to the petitioner for obtaining necessary interim orders from the appellate Tribunal and the 1st respondent is directed not to take any coercive steps till such time.

ASSISTANT REGISTRAR

// TRUE COPY //

SECTION OFFICER.

To

1. The Recovery Officer, Employees Provident Fund Organisation, Sub-Account Office, Kukatpally, Hyderabad.
2. Employees Provident Fund Appellate Tribunal No. 60, Skylark Buildings, Nehru Place, New Delhi.
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